



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

July 9, 2001

Mr. James Bruce
3304 Camino Lisa
Hyde Park Estates
Santa Fe, New Mexico 87501

Mr. Bill Taylor
1106 N. Country Club Circle
Carlsbad, New Mexico 88220

Re: Case No. 12684 (Application of Beach Exploration, Inc. for Statutory Unitization)
Case No. 12685 (Application of Beach Exploration, Inc. for Approval of a
Waterflood Project and for EOR Qualification)

Dear Messrs. Bruce and Taylor:

I have reviewed Mr. Taylor's letter dated July 4, 2001 that requested a continuance of Cases No. 12684 and 12685 from the July 12, 2001 docket, and also Mr. Bruce's response letter dated July 9, 2001. Please be advised that the Division hereby denies the request by Mr. Taylor to continue these cases to a subsequent docket. Please be further advised however, that should the evidence presented in these cases demonstrate that a good faith negotiation between the parties has not taken place, these cases will be continued or dismissed subsequent to the presentation of evidence.

If you should have any questions, please contact me at (505) 476-3466.

Sincerely,

David R. Catanach
Examiner

Xc: Case Files 12684 & 12685